

Chair's Text for INB-3

Introduction to FCA Position

1. The attached briefings, and the side-by-side commentary on the Chair's Text, set out FCA's position on key issues likely to arise at INB-3. These include:
 - Licensing and due diligence
 - Tracking and tracing
 - Free trade areas, duty free and internet sales
 - Offences and penalties
2. Also attached are briefings on key pieces of research on illicit trade to be published at INB-3, including:
 - The global extent of illicit trade (a Bloomberg paper by Joossens, Raw et al)
 - Illicit trade in the MERCOSUR countries (Ramos et al)
 - Illicit trade in South Africa (Blecher)
 - A cost benefit analysis of the protocol for the UK, with a proposed methodology for use in other countries (Johnson et al for ASH UK)
3. Other key evidence on illicit trade and analyses of the state of negotiations at INB-3 will be published in the FCA daily Bulletin, and can be found online at www.fctc.org.
4. The FCA continues to believe that a strong and effective protocol is essential to the fight against the illicit trade in tobacco products. We also believe that INB-3 will be a critical event in negotiating the protocol, which can and should be agreed by the conclusion of INB-4 in the first quarter of 2010.
5. Therefore, FCA's approach in relation to the Chair's text is based on:
 - *Strengthening* of provisions, where this appears to be desirable and feasible, for example in relation to licensing and its relationship to due diligence, and in relation to duty free and internet sales
 - *Clarification* of provisions, where the details of what practical action by Parties would be required by the draft Articles are not yet fully apparent, for example in relation to the draft Article on tracking and tracing
 - *Simplification* of provisions, where this appears necessary for the protocol to be properly focused, within the competence of the World Health Organization, to avoid duplication with other international agreements and the work of other international agencies, and effective in practice, for example in relation to the draft Articles on offences and penalties
6. These briefs are published together with a detailed side-by-side commentary on the Chair's text.



7. Action on illicit trade is crucial to effective tobacco control. Stopping smuggling and counterfeit products saves lives, fights organised crime and raises money. INB-3 is a critically important meeting. FCA is ready to help, support and inform the negotiations, as well as to ensure that the negotiating process is as transparent as possible and that Parties are held accountable for the positions they take.
8. FCA representatives, including experts in illicit trade, economics, law, information systems and law enforcement, will be present throughout INB-3 and can be contacted by delegates for advice, information and support at any time. Ian Willmore, the FCA Illicit Trade Protocol Campaign Manager, can be contacted on **+44 7887 641344** or willmorei@fctc.org.